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SOUTHWEST WYOMING

Resource Evaluation

NEPA Analysis

U.S. Department of the Interior
Bureau of Land Management
Wyoming State Office

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NEPA DOCUMENT REVIEW

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NEPA DOCUMENT REVIEW

A. BACKGROUND

The region being analyzed encompasses all or parts of six southwest Wyoming counties: Carbon, Fremont, Lincoln, Sublette, Sweetwater and Uinta, totaling approximately 15.6 million acres. Four BLM administrative areas are included in the region. In the Rock Springs District; Kemmerer, Pinedale and Green River Resource Areas, and in the Rawlins District, the Great Divide Resource Area.

NEPA COMPLIANCE

The general land use decisions were made in the Resource Management Plan (RMP) or earlier Management Framework Plan (MFP) for each Resource Area. The decisions made in each plan related to the oil and gas resource indicate what lands are available for leasing and what areas are closed to leasing. In the areas available for leasing further decisions have been made which define the stipulations which may be placed on areas that are to be leased. There are three standard stipulations that can be placed on the leases. They are: No Surface Occupancy, Timing Limitations and Controlled Surface Use. A copy of these stipulations can be found in Appendix B.

The NEPA documents being looked at in this NEPA Analysis implement the leasing decisions made in the RMP and give more detailed information and guidance for the areas being proposed for development. Actual site specific information is contained in Environmental Analyses (EAs) completed for Applications To Drill (APDs) on each individual well.

There have been several Federal agencies responsible for NEPA analysis of mineral development in southwest Wyoming, beginning with the Conservation Division of the U.S. Geologic Survey, through the Minerals Management Service and presently with the Bureau of Land Management. The scope and complexity of NEPA analysis has increased in southwest Wyoming as development effects have accumulated and proposed projects have increased in size and scope. During field development in the early to mid-1970s, only projects with exceptional health and safety features, such as sour gas processing plants, underwent the Environmental Impact Statement (EIS) process. Most single well drilling proposals were evaluated by site-specific Categorical Exclusion Reviews (CERs) or EAs. As the number of developmental areas increased, unit-wide EAs were prepared when new fields were developed. When sensitive issues or areas were involved, EISs were required. Beginning in 1992, in response to increased drilling activity and a call by environmental groups for improved cumulative impact analysis, BLM required EIS preparation for all

proposals whether in-fill or new field development.

B. EVALUATION CONCEPT

REGULATORY BASIS

BLM is evaluating its land use planning decisions, NEPA-document impact predictions and mitigation measures to determine if they are appropriate for the present development situation. The format of the proposed evaluation is prescribed by the planning regulations (*43 CFR 1610.4-9*) and *BLM Manual 1616.9*. NEPA regulations (*40 CFR 1505*) also provide for monitoring and evaluation to " assure that decisions are carried out". *BLM Manual Handbook H-1790-1, Chapter VI - Monitoring*, provides direction for monitoring NEPA decisions. The evaluation would be of the resource management plans within the region. An integral part of the evaluation would be review of the NEPA documents (major EAs/EISs) completed to date on energy and non-energy mineral development for conformance with the RMPs and accuracy of the EIS impact prediction. The evaluation would also be framed in ecosystem management principles as delineated in the document, Ecosystem management principles as delineated in the document, *Ecosystem Management in the BLM: From Concept to Commitment*.

The aspects directly affected are to:

1) Identify land use plan decisions and related management prescriptions, their compatibility, and determine if established threshold levels have been met or exceeded.

2) Determine scope of NEPA impact prediction and if NEPA analyses are compatible.

3) The emphasis is on obtaining the number, magnitude, type of actions and their major characteristics. The impacts and mitigation measures addressed in the NEPA documents will be displayed in a table format. For example, the number of acres disturbed in the long term for each project and reclamation practices would be listed for each NEPA document.

DESCRIPTION OF ACTIONS TO BE ANALYZED

BLM prepares NEPA analysis EIS's, tiered to the appropriate RMP(s), on project-specific drilling proposals submitted by companies. These proposals cover a range of probable wells to be drilled. When the number of wells analyzed and approved in the document have been drilled, another NEPA analysis is required before further drilling may take place. Recently companies have been submitting proposals for 3 - 5 year and up to 10 year drilling projects.

The EIS's and some EA's for this four Resource Area region are being analyzed initially to determine the number, extent of coverage, description of the area of coverage and the decisions. The extent and aggregate magnitude of the actions covered by these documents can then be described. This will allow the BLM to compare the magnitude of actions authorized in these EIS's with the overall planning actions presented in the RMP's. This will allow the cumulative impacts of all actions be considered.

DATA COLLECTION MECHANISM

The WSO worked with the Rawlins and Rock Springs District Offices to define the data elements for the initial thrust in analyzing the oil and gas related EIS's and major EA's in the four Resource Areas.

The data elements being collected initially were;

1. General description of the area presented in the document; Resource Area and District of action, date of decision, document(s) tiered to, county(ies), surface and mineral ownership.

2. Description of area prior to the proposed action; wells, roads, pipelines and power lines and other disturbances expressed by number of events, acreage and miles as appropriate.

3. Proposed action; well spacing, No. of wells, miles of roads, miles of pipelines and power lines, and acres reclaimed for these activities.

4. Statement covering; stipulations, conditions of approval and mitigation measures approved.

5. Lists of pertinent tables and other site specific data could be included in a free format.

Data collection process;

Based on the initial needs, an interactive computerized form was developed, the **NEPA DOCUMENT DATA COLLECTION** form, to input these data at the appropriate District Offices.

The data collecting procedure was designed to be expanded when additional uses were needed, since additional date elements could be formatted for entering data, building on the interactive format with its associated tiering. The format adopted was designed to be used in a stand alone format or on the Local Area Network (LAN). The data for each document was to be entered and stored. Data from subsequent documents would be identified and

stored in a similar manner. On a routine basis the data would be forwarded to the state office for review and consolidation. Programming to compile and integrate these data was formulated and made available. Transmittal and aggregation of the data so that the results of this effort could be translated into compiled summaries were affected to form the basis of analysis. The WSO working group provided the software for the program and training in its use. Therefore the data input group concentrated their expertise on preparing and inputting the data elements.

C. Procedure

To start the review of the NEPA documents it was first decided what documents to look at and how many documents there are. The possibility of doing all EAs and EISs dealing with minerals in South West Wyoming was first looked at. Since each APD approved requires an EA done on it, the scope was narrowed to important EAs and all EISs. Important EAs were defined as EAs covering large areas or involving controversial issues to the public at the time of proposal. As for the EISs the ones done for RMPs or the old MFPs are being done by a different project. This project is only looking at EISs done for mineral development. EISs such as the Big Piney-LaBarge CAP could be considered planning documents or mineral development documents. These EISs have not been included in this database.

To make the most comprehensive list of EAs and EISs that fall into the above categories available maps showing in very general terms the locations of various projects were used. A listing of the EAs and EISs from the Districts involved was then obtained. All of this information was combined together to form a preliminary list. This list was sent out to the Districts for review and comment. When all of the discrepancies were taken care of the final list of was put together.

The EAs and EISs were divided into three categories, (1.) Oil and Gas Field Development, (2.) Major Pipeline Projects and Natural Gas Processing Plants, and (3.) Solid Minerals. (The major thrust of this project has been oil and gas related all solid mineral documents were left out and do not show up on the present list of documents.) A fourth category, (4.) Proposed and Future Projects, was included on the list but will not be used in the data bases.

The next step was to determine what to put into the data bases. To start this process one document was reviewed. From the review of this document a list of data elements was made. These data elements were arranged together into several categories. Each category was then placed into a data base. A DBase III+ program was put together to link the databases together and make entry of data into the databases easier. After receiving comments from

the Districts the data bases were modified to include additional information and adjustments made to the program. The data bases contain only information contained in the EAs or EISs, with the following exceptions:

1. If the mineral estate is not stated in the document it was estimated from mineral ownership maps.

2. If the document does not state the extent of the Federal, State and Private surface ownership, it was estimated from a map showing surface ownership.

3. The issues have been standardized so the list is not as long.

4. In some cases of overlapping documents adjustments were made to the data of what was present before the document. This was done to give a truer picture of what was disturbed proper to the NEPA documents. A copy of what was originally in the documents affected is available.

Rock Springs personnel researched the documents and entered the data into the data bases. The data bases were then sent to WSO where quality control was done. WSO personnel then used the data bases to prepare reports and statistics on the documents reviewed. Background information on the documents entered into the data bases is at WSO.

D. Scope of Work

As stated above the documents were placed into three of four different categories. The data concentrates on oil and gas activities so the solid minerals portions have been left out leaving only three categories. A list of these documents can be found in Appendix A. These categories are:

1. Oil and Gas Field Development

2. Major Pipeline Projects and Natural Gas Processing Plants

3. Proposed and Future Projects

Category 1. presently contains 31 documents. All 31 documents, have been entered into the data bases. Category 2. presently contains 6 documents. All 6 documents have been entered into a separate set of data bases from the category 1 documents. Category 3. contains only 3 documents and none have been placed into any of the data bases. This last category is not being added to the data bases because the documents are still in the development stages. The documents are only shown for information

purposes as to what can be expected in the near future.

E. Parameter Selection

All the following data comes from the NEPA documents looked at with the exceptions listed above. Where the document was silent on a data element no information was added except as listed above. Some of the documents looked at overlap with other documents so gross numbers will not give a true picture of the aerial extent that has been assessed. The focus of the documents are different as well. For category I documents (Oil and Gas Field Development) the main emphasis is the number of wells to be drilled, while with the category II documents (Major Pipeline Projects and Natural Gas Processing Plants) the focus is on what effects the pipeline and/or Natural Gas Processing Plant will have on the environment.

F. Summary of Data

The two sets of data bases contain a total of 37 NEPA documents. Of these 37 documents 31 documents are directly related to oil and gas field development or the drilling of wells. The other 6 documents are concerned with gas plants or pipelines. The numbers presented below are based on the 31 documents corrected for overlapping areas in the documents.

The data below is based on what was found in the NEPA documents, with the exceptions noted above in section C. These exceptions do not skew or change the true picture of what was approved. It does give a more complete picture of the aerial extent and the disturbance present prior to these documents being approved.

To help better understand the data the following definitions are given:

Acreage looked at in documents means the area being covered by the NEPA document. The Document usually has a map which outlines this area. The document will usually state how many acres are Federal, State and Private. The Federal is further broken down by which agency administers the land. In cases where the documents do not state the surface ownership it was derived from maps showing surface ownership and the aerial extent of the project area outlined in the document. For mineral acreage the same procedures were used except mineral ownership maps were used.

Existing conditions before the NEPA documents means the disturbance present before the NEPA document was done. In cases where the document did not indicate any disturbance prior to the document this section was left blank.

Disturbance Approved by Documents means the maximum disturbance

approved by that NEPA document. This does not mean there is presently that much disturbance in the project area but how much activity can take place before another NEPA analysis needs to be done. These numbers do not include the *Existing conditions before the NEPA documents*, so to get the total potential disturbance you will have to add the *Existing conditions before the NEPA documents* and *Disturbance Approved by Documents* numbers together.

Under *Number of Documents in each Resource Area* some of the documents were completed before the present Resource Areas came into existence. In the following table only the documents were counted based on present Resource Area names and boundaries. The data base contains the Name of the Resource Area at the time the document was completed.

Oil and Gas Development Corrected for Overlaps	
General Information	
1. Number of Documents Looked at	31
2. Number of documents in each County	
a. Carbon	4
b. Lincoln	11
c. Sublette	8
d. Summit (Utah)	1
e. Sweetwater	20
f. Uinta	5
3. Number of Documents in each Resource Area	
a. Bear River (Utah)	1
b. Divide	2
b. Great Divide	5
c. Green River	16
d. Kemmerer	5
e. Pinedale	7
Acreage looked at in documents	
1. Surface acreage	

a. Total acres -	1,640,394
b. Total BLM administered acres -	898,112
c. Total FS administered acres -	105,422
d. Total Other Federal Agency administered acres -	82,535
e. Total State acres -	59,982
f. Total Private acres -	494,343
2. Mineral estate	
a. Total acres -	1,640,394
b. Total Federal minerals -	1,106,764
c. Total State minerals -	63,857
d. Total Private minerals -	469,773
Existing Disturbance	
1. Total Disturbance -	35,753
2. Acres Rehabilitated -	20,140
3. No. Wells Drilled -	2,648
4. No. Wells Abandoned -	553
5. Miles of Road -	4,181
6. Miles of Pipeline -	1000
7. Miles of Power Line -	236
8. Ac Disturbed by Wells -	6,095
9. Ac Disturbed by Roads -	10,583
10. Ac Disturbed by Pipelines -	5,795
11. Ac Disturbed by Power Lines -	0
12. Ac Disturbed by Other -	1,639
13. Total Disturbance Calculated -	24,112
General Infrastructure Disturbance	
1. Ac Disturbed by Railroads -	1,550
2. Ac Disturbed by Highways/Roads -	9.791
3. Ac Disturbed by Municipalities -	94

4. Ac Disturbed by Power Lines -	0
Disturbance Approved by Documents	
1. Total Acres Disturbed -	52,948
2. Number of Wells authorized to be drilled -	4,837
3. Number of Wells estimated to be abandoned -	20
4. Estimated Miles of new Roads -	1,550
5. Estimated Miles of new Pipelines -	2,868
6. Estimated Miles of new Roads/Pipelines -	328
7. Estimated Miles of new Power Line ROWs -	135
8. Estimated Acres Disturbed by Wells -	19,130
9. Estimated Acres Disturbed by new Roads -	8,299
10. Estimated Acres Disturbed by new Pipelines -	17,222
11. Estimated Acres of Disturbance by new Roads/Pipelines -	4,595
12. Estimated Acres Disturbed by new Power Line ROWs -	1,017
13. Estimated Acres Disturbed by new other Disturbance -	2,806
14. Estimated Acres of Short Term Disturbance -	50,932
15. Estimated acres of Long Term Disturbance -	13,998
16. Total Disturbance Calculated -	53,068
Rehabilitation Planned	
1. Acres from Wells -	11,491
2. Acres from Roads -	2,717
3. Acres from Pipelines -	14,085
4. Acres from Roads/Pipelines -	2,640
5. Acres from Power Lines -	903
6. Total Acres Planned to be Reclaimed -	31,835
Calculated Long Term Disturbance -	21,233

APPENDIX A
SUMMARY OF ANALYSIS AREAS - SOUTHWEST WYOMING

Number	Area Name	Document Number	Area Size	Proponent	Resource Area/County	FONSI/ROD Date	Entered Database	On Map	Remarks
I.	Oil and Gas Field Development								
1	Riley Ridge (EIS)	- -ES -84-0002	159,928 ac.	Exxon and others	Pinedale/Sublette, Lincoln	01/25/84	Yes	Yes	Overlaps Big Piney/LaBarge CAP. Construction complete, producing field. Sour gas field including processing plant(s). (No detailed map in file)
2	Dripping Rock Unit (EA)	WY-032-EA -85-0023	37,120 ac.	Celsius Energy	Great Divide/ Sweetwater	04/03/85	Yes	Yes	13 wells drilled through 1993.
3	Luckey Ditch Unit Well# C-5 Alt. #F-8 (EA)	WY-045-EA -87-0011	7,360 ac.			11/04/86	Yes	Yes	Includes all of the Unit not just Well Location.
4	Hickey & Table Mtn. (EIS)	- -ES -87-0024	45,510 ac.	Sun Exploration and others	Kemmerer/Uinta	01/6/87	Yes	Yes	Construction complete, producing field.
5	Cedar Canyon Gas well H-18 (EA)	WY-043-EA -86-0012	5,280 ac.	Luff		06/26/87	Yes	Yes	Includes more than well location.
6	Sierra Madre Unit (EA)	WY-032-EA -86-0188	17,706 ac.	Lewis & Clark Exploration Co.	Great Divide/Carbon	09/21/87	Yes	Yes	80 - 40 acre spacing oil wells. 58% of mineral estate is federal.
7	Soda Unit (EA)	WY-041-EA -87-0039	22,527 ac.	True Oil Co.	Pinedale/Sublette	04/12/89	Yes	Yes	Construction complete, producing field.
8	1989 Drilling Proposal LaBarge Platform (EA)	WY-046-EA -89-0022	18,320 ac.	Enron		04/12/89	Yes	No	No detailed map.
9	Nitchie Gulch Well # 22-8 (EA)	WY-048-EA -90-0038	7,154 ac.	Pacific Enterprises		01/11/90	Yes	Yes	
10	Cedar Canyon State 30-16 (EA)	WY-048-EA -90-0140	5,280 ac.	Pacific Enterprises		09/19/90	Yes	Yes	
11	Moxa Arch Natural Gas Production Project EA	WY-047-EA -91-0047	259,102 ac.	Amoco		06/27/91	Yes	Yes	
12	Pacific Gas & Electric Fontenelle Unit (EA) Infill Project	WY-048-EA -91-0054	13,062 ac.	PG&E Resources Co.	Green River/Lincoln	07/05/91	Yes	Yes	
13	Hay Reservoir (EA)	WY-037-EA -92-0024	11,619 ac.	Presidio Oil	Great Divide, Green River/Sweetwater	06/24/92	Yes	Yes	
14	Supplemental EA to Moxa Arch	WY-047-EA -92-0114	259,102 ac.	Amoco		07/20/92	Yes	Yes	

Number	Area Name	Document Number	Area Size	Proponent	Resource Area/County	FONSI/ROD Date	Entered Database	On Map	Remarks
15	East LaBarge Infill Project (EA)	WY-048-EA -92-0037	13,600 ac.	Enron Oil & Gas Co.	Green River/ Lincoln, Sublette	07/29/92	Yes	Yes	Considers construction through 1995.
16	Greater Wamsutter I (EA)	WY-037-EA -92-0038	295,791 ac.	UPRC and others	Great Divide/Carbon, Sweetwater	8/20/92	Yes	Yes	overlaps GWEA II area
17	Texaco & Washington Energy Infill Drilling Projects (Supplemental EA)	WY-048-EA -92-0126	34,114 ac.	Texaco Exploration & Production/ Washington Energy Resources	Green River/ Sweetwater and Lincoln	09/10/92	Yes	Yes	Overlaps Fontenelle II Project Area
18	Mulligan Draw (EIS)	- -FES-92-0018	47,287 ac.	Celsius Energy and others	Great Divide, Green River/ Sweetwater	09/23/92	Yes	Yes	
19	Dripping Rock Unit/ Cedar Breaks Area Supplement (EA)	WY-037-EA -92-0030	1,920 ac.			11/30/92	Yes	Yes	
20	Washington Energy Infill Project (WE) (Supplemental EA)	WY-048-EA -93-0026	28,160 ac.	Washington Energy Co.	Green River/ Lincoln	12/10/92	Yes	Yes	Overlaps Fontenelle II Project Area.
21	Bird Canyon Project (EA)	WY-048-EA -93-0116	5,710 ac.	Basin Operating Company	Green River/Lincoln, Sublette	06/25/93	Yes	Yes	Overlaps E. LaBarge Infill Project EA and Fontenelle II Unit.
22	Burley Field Project Area (EIS)	WY- -ES -94-0018	1,370 ac.	Enron Oil & Gas Co.	Pinedale/Sublette, Lincoln	06/07/94	Yes	Yes	Within CAP area.
23	Mobil Project Area (Tip Top and Hogsback Unit) (EA)	WY-046-EA -94-0053	43,554 ac.	Mobil	Pinedale/Sublette, Lincoln	06/30/94	Yes	Yes	Within CAP area.
24	Jonah Field (EA)	WY-046-EA -94-0049	16,834 ac.	McMurray Oil Co.	Pinedale/Sublette	08/03/94	Yes	Yes	Approximately 12 wells have been drilled as of 5/95.
25	Creston/Blue Gap (EIS)	WY- -ES -94-1027	207,746 ac.	Snyder Oil Company	Great Divide/Carbon, Sweetwater	10/04/94	Yes	Yes	Adjacent to GWEA I & II areas (no detailed map in file)
26	Bravo Unit Field Development (EA)	WY-048-EA -95-0073	4,632 ac.	BTA Oil/Gas Co.	Green River/ Sweetwater	07/20/95	Yes	Yes	Proposed field located adjacent to East Sand Dunes WSA. Decision appealed to SDR by Sierra Club Legal Defense Fund, Wyoming Outdoor Council, Wyoming Wildlife Federation, & Wyoming Wilderness Coalition.
27	HS Resources Natural Gas Exploration Project (EA)	WY-048-EA -95-0056	12,800 ac.	HS Resources/ Lario Oil & Gas Co.	Green River/ Sweetwater	08/04/95	Yes	Yes	Decision appealed in SDR by same people who appealed Bravo Unit.

Number	Area Name	Document Number	Area Size	Proponent	Resource Area/County	FONSI/ROD Date	Entered Database	On Map	Remarks
28	Stagecoach Draw (EIS)	- -FES-95-0016	23,575 ac.	Texaco Exploration & Production Inc.	Green River/ Sweetwater	09/27/95	Yes	Yes	Texaco drilled two of the existing wells horizontal; good success with one, poor with the second. Decision appealed in SDR by same people who appealed Bravo Unit.
29	Greater Wamsutter II (EIS)	WY-037-EA -95-0003	334,191 ac.	UPRC and others	Great Divide/Carbon, Sweetwater	11/21/95	Yes	Yes	overlaps GWEA I area
30	Fontenelle Natural Gas Infill Drilling Projects (EIS) [Lincoln Road & Fontenelle II Unit project areas]	- -DES-95-0015	179,748 ac.	ENSEARCH (previously DALEN Resources, Inc., previously PG&E Resources) Cabot (previously Washington Energy), Presidio, Texaco	Green River/ Sweetwater and Lincoln	DEIS issued April 1995 FEIS in preparation	Yes	No	No detailed map in file.
31	Moxa Arch Expanded Area (EIS) (see Rmks).	- -DES-95-0020	476,261 ac.	Amoco and others	Kemmerer, Green River/Sweetwater, Uinta (Checkerboard)	Draft EIS released for public review April 14, 1995. Comments due June 12, 1995. FEIS in preparation.	Yes	Yes	Existing EA & Supplemental EA not adequate for expanded level and rate of development. EIS expands area of NEPA analysis.
II.	Major Pipeline Projects and Natural Gas Processing Plants								
1	Whitney Canyon - Carter Creek (EA)	WY-042-EA -80-0015	456,306 ac.	Amoco and others	Kemmerer/Lincoln, Uinta	05/16/80	Yes	No	
2	Road Hollow (EA)	WY-042-EA -83-0040	32,640 ac.	Exxon	Kemmerer/Lincoln	01/07/83	Yes	No	Processing plant not constructed, ship gas to Whitney Canyon plant.
3	Cave Creek/Wasatch Sour Gas Gathering PPLN System	WY-042-EA -83-0023	63,856 ac.	Amoco	Kemmerer, Bear River UT./Uinta, Summit, UT., Rich, UT.	05/92	Yes	No	Not in Data Base and no file or map.
4	Bear River Divide Gas Plant (EA)	WY-047-EA -92-0092	6,482 ac.	ANR Production Co.	Pinedale/Lincoln	07/07/92	Yes	No	
5	Saddle Ridge Project (EA)	WY-046-EA -93-0016	150 ac.	Northwest Pipeline Co.	Pinedale/Lincoln, Sublette	03/24/93	Yes	No	
6	Cutthroat Gas Processing Plant Project (EA)	WY-047-EA -93-0102	33 ac.	ANR Production Co., Questar Pipeline Co.	Kemmerer/Uinta	07/28/93	Yes	No	
III.	Proposed and Future Projects								
1	Continental Divide						No	No	Not completed. Not in Data Base and no file or detailed map.

Number	Area Name	Document Number	Area Size	Proponent	Resource Area/County	FONSI/ROD Date	Entered Database	On Map	Remarks
2	Greater Jonah						No	No	Not completed. Not in Data Base and no file or detailed map.
3	South Baggs						No	No	Not completed. Not in Data Base and no file or detailed map.

APPENDIX B

Lease Stipulations

ATTACHMENT TO EACH LEASE

NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, affect an entity's qualifications to obtain an oil and gas lease. Section 2(a)(2)(A) of the MLA, 30 U.S.C. 201 (a)(2)(A), requires that any entity that holds and has held a Federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from such lease, cannot qualify for the issuance of any other lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease, with respect to compliance by the initial lessee with qualifications concerning Federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject to cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A), or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee, sublessee or transferee does not qualify as a bona fide purchaser and, thus, has not rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor, sublessor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the State Office issuing this lease.

LEASE NOTICE NO. 1

Under Regulations 43 CFR 3101.1-2 and terms of the lease (BLM Form 3100-11), the authorized officer may require reasonable measures to minimize adverse impacts to other resource values, land uses, and users not addressed in lease stipulations at the time operations are proposed. Such reasonable measures may include, but are not limited to, modification of siting or design of facilities, timing of operations, and specification of interim and final reclamation measures, which may require relocating proposed operations up to 200 meters, but not off the leasehold, and prohibiting surface disturbance activities for up to 60 days.

The lands within this lease may include areas not specifically addressed by lease stipulations that may contain special values, may be needed for special purposes, or may require special attention to prevent damage to surface and/or other resources. Possible special areas are identified below. Any surface use or occupancy within such special areas will be strictly controlled or, if absolutely necessary, prohibited. Appropriate modifications to imposed restrictions will be made for the maintenance and operation of producing wells.

1. Slopes in excess of 25 percent.

2. Within 500 feet of surface water and/or riparian areas.

3. Construction with frozen material or during periods when the soil material is saturated or when watershed damage is likely to occur.

4. Within 500 feet of Interstate highways and 200 feet of other existing rights-of-way (i.e., U.S. and State highways, roads, railroads, pipelines, powerlines).

5. Within 1/4 mile of occupied dwellings.

6. Material sites.

GUIDANCE:

The intent of this notice is to inform interested parties (potential lessees, permittees, operators) that when one or more of the above conditions exist, surface disturbing activities will be prohibited unless or until the permittee or the designated representative and the surface management agency (SMA) arrive at an acceptable plan for mitigation of anticipated impacts. This negotiation will occur prior to development and become a condition for approval when authorizing the action.

Specific threshold criteria (e.g., 500 feet from water) have been established based upon the best information available. However, geographical areas and time periods of concern must be delineated at the field level (i.e., "surface water and/or riparian areas" may include both intermittent and ephemeral water sources or may be limited to perennial surface water).

The referenced oil and gas leases on these lands are hereby made subject to the stipulation that the exploration or drilling activities will not interfere materially with the use of the area as a materials site/free use permit. At the time operations on the above lands are commenced, notification will be made to the appropriate agency. The name of the appropriate agency may be obtained form the proper BLM District Office.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

POWERSITE STIPULATION

The lessee or permittee hereby agrees:

(a) If any of the land covered by this lease or permit was, on the date the lease or permit application or offer was filed, within a powersite classification, powersite reserve, waterpower designation, or project on which an application for a license or preliminary permit is pending before the Federal Energy Regulatory Commission or on which an effective license or preliminary permit had been issued by the Federal Energy Regulatory Commission under the Federal Power Act, or on which an authorized power project (other than one owned or operated by the Federal Government) had been constructed, the United States, its permittees, or licenses shall have the prior right to use such lands for purposes of power development so applied for, licensed, permitted, or authorized and no compensation shall accrue to the mineral lessee or permittee for loss of prospective profits or for damages to improvements or workings, or for any additional expense caused the mineral lessee as a result of the taking of said land for power development purposes. It is agreed, however, that where the mineral lessee or permittee can make adjustments of his improvements to avoid undue interference with power development, he will be permitted to do so at his own expense.

Furthermore, occupancy and use of the land by the mineral lessee or permittee shall be subject to such reasonable conditions with respect to the use of the land as may be prescribed by the Federal Energy Regulatory Commission for the protection of any improvements and workings constructed thereon for power development.

(b) If any of the land covered by this lease or permit within a powersite classification, powersite reserve, or waterpower designation which is not governed by the preceding paragraph, the lease or permit is subject to the express condition that the operations under it shall be so conducted as not to interfere with the administration and use of the land for powersite purposes to a greater extent than may be determined by the Secretary of the Interior to be necessary for the most beneficial use of the land. In any case, it is agreed that where the mineral lessee or permittee can make adjustments to avoid undue interface with power development, he will be permitted to do so at his own expense.

SPECIAL LEASE NOTICE

THREATENED, ENDANGERED, CANDIDATE, OR OTHER SPECIAL STATUS PLANT AND ANIMAL SPECIES

The lease area may contain habitat for the threatened, endangered, candidate, or other special status plant and animal species listed below. Exploration and development proposals may be limited, or modification required, if activity is planned within the habitat boundaries of a threatened, endangered, candidate, or other special status plant/animal species as it then exists. Upon receipt of a site specific proposal, the authorized officer will review current inventory records of each location and may require that further localized surveys be performed to assure no threatened, endangered, candidate (category 1 or 2), proposed, or other special status species are present. (Endangered Species Act of 1973 as amended, Sections 2 and 7.)

SPECIES:

NO SURFACE OCCUPANCY STIPULATION - NSO

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

NSO(1)

For the purpose of:

NSO (2)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

TIMING LIMITATION STIPULATION - TLS

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

TLS (1)

On the lands described below:

TLS (2)

For the purpose of (reasons):

TLS (3)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION - CSU

Surface occupancy or use is subject to the following special operating constraints.

CSU (1)

On the lands described below:

CSU (2)

For the purpose of:

CSU (3)

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

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